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Bourdieusian and resource-based perspectives on ethnic minority microbusinesses: The construction of a culture-induced entrepreneurship model

Muhibul Haq, Martin Johanson, Julie Davies, Wilson Ng, and Léo-Paul Dana

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ABSTRACT
In contemporary developed Western societies, structural discrimination often bars ethnic minorities from entering mainstream entrepreneurship and labor markets. Consequently, minorities engage in microentrepreneurship for economic survival and to retain their social identities. Yet despite the economic value of ethnic minority microbusinesses, little is known about the underlying forces that develop fundamental resources which shape their performance. Based on Bourdieu’s forms of capital and the resource-based view of the firm, our study presents a novel culture-induced entrepreneurship model. This model explains how ethnic minority culture shapes the development of human capital resources and how these resources contribute to business performance in communities which are often characterized as “left behind.” Our study challenges the dominant underdog discourse of (cultural) capital deficit among ethnic minority entrepreneurs.

KEYWORDS
Bourdieu; cultural capital; ethnic minority microbusinesses; human capital resources; resource-based view

Introduction
The liabilities of smallness and foreignness are well-recognized phenomena in entrepreneurship literature. The liability of smallness represents a precarious organizational setting where resources are extremely constrained (Bicho et al., 2022; Bruderl & Schussler, 1990; Lefebvre, 2022). The liability of foreignness represents another kind of a precarious organizational setting that discriminates against nonlocal enterprises (Gurau et al., 2020; Zaheer, 1995). Ethnic minority microbusinesses face both these precarious situations simultaneously. Compared with large businesses (that employ over 249 people), medium-sized businesses (with 50 to 249 employees) and small businesses (with 10 to 49 employees) (OECD, 2021), ethnic minority microbusinesses...
(those employing under 10 people) (Haq & Davies, 2020; Local Government Association, 2021) have very limited access to resources, while being typically more difficult to access by external stakeholders, including researchers (Haq & Davies, 2020).

Despite these limitations, ethnic minority microbusinesses continue to make substantial contributions to economic turnover and employment (Fairlie, 2012; Jaouen & Lasch, 2015; Masiak et al., 2019). Many ethnic minority microbusinesses are more innovative in their approach to business and they grow faster than indigenous nonethnic minority microbusinesses (FSB, 2020). Ethnic minority microbusinesses have, therefore, been seen as engines for local, regional, and national economic development in many countries (Haq et al., 2021; Vershinina & Rodgers, 2020). Yet ethnic minority microbusinesses have rarely been discussed in the mainstream literature in business and management (Haq et al., 2021). A commonly voiced reason is that mainstream entrepreneurship researchers often consider ethnic minority microbusinesses either inaccessible or the knowledge that they generate is insignificant (Lussier & Sonfield, 2015; McKelvie & Davidsson, 2009).

Our motivation to conduct this research lies in our understanding that no research explains how ethnic minority microbusinesses create human capital resources (HCRs) and how these resources contribute to the performance\(^1\) of these businesses. We understand that it is a well-researched topic that HCRs with valuable, rare, inimitable, and nonsubstitutable (VRIN) characteristics substantially contribute to organizational performance (Barney, 1991; Nason & Wiklund, 2018; Wernerfelt, 1984). However, such research has either focused on large mainstream Western organizations (Ployhart & Moliterno, 2011; Ployhart et al., 2014) only or narrowly highlighted the role of education (formal or informal), training (Berrone et al., 2014), and context-specific knowledge (Haq & Davies, 2020). Due to the lack of research on ethnic minority microbusinesses, we know little about how ethnic culture shapes the formation of HCRs and how HCRs shape ethnic minority microbusiness performance. Our study seeks to address this oversight and asks two research questions (i) How does ethnic culture shape the creation of human capital resources in ethnic minority microbusinesses? (ii) How do human capital resources shape the performance of ethnic minority microbusinesses?

Building on 43 in-depth interviews (Baines & Wheelock, 1998), adopting a thematic inductive approach (Braun & Clarke, 2006; Harrison et al., 2020; Villares-Varela et al., 2018), and combining the cultural capital form of Bourdieu’s (1986) “forms of capital” (Harrison et al., 2020; Vershinina & Rodgers, 2020) with the resource-based view of the firm (Barney, 1991; Penrose, 1959; Wernerfelt, 1984), we conceptualized the exploratory data

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\(^1\)We define business performance in the context of our sample ethnic minority microbusinesses as, a situation in that a business makes a net profit, or continues to grow, or survives insofar as it does not accrue a loss.
and developed a culture-induced entrepreneurship model (CIEM). This novel model explains connections between training, experience, education, ethnic kinship-like relationships, customer service, customized knowledge, and ethnic culture. It also shows how these characteristics lead to the creation of human capital resources and how these resources shape ethnic minority microbusiness performance.

Our study contributes to current and relevant academic debates published in the *Journal of Small Business Management* by Altinay et al. (2014), Barrett and Vershinina (2017), Berrone et al. (2014), Dana et al. (2020), Haq and Davies (2020), Khan et al. (2022), and Tehseen et al. (2021). While these authors argue that ethnic culture is an important resource, none of them has focused on how ethnic culture relates to the creation of HCRs and how these resources shape business performance in ethnic minority microbusinesses. We also contribute to recent debates in entrepreneurship (Bizri, 2017; Light & Dana, 2013; Vershinina & Rodgers, 2020), and in business (Dabić et al., 2020; Haq et al., 2021) and management (Brynin et al., 2019; Gurău et al., 2020) journals that also discuss the role of ethnic culture in ethnic minority microbusinesses.

**Context and explanation of key concepts**

To address our research questions, we inductively developed a theoretical model by thematically analyzing interview data from South Asian ethnic minority microbusiness owners and managers in the Yorkshire region of the UK. We intended to learn directly from the narratives of these owners and managers. The word “ethnicity” originated from “ethnos” in Greek, which refers to “some form of unity other than the strictly political. It has referred to a nation in the sense of people, not a state [kratos]” (Just, 1989, p. 71). According to Banks (1996, p. 4), “ethnicity is a social identity characterized by fictive kinship.” Aldrich and Waldinger (1990, p. 131) defined ethnicity as a “self-identification with a particular ethnic group, or a label applied by outsiders.” Likewise, Zuccotti and O’Reilly (2018) explained that ethnic minorities have a self-identified social identity.

Ethnic minority in the context of this study refers to people of South Asian descent, countries such as Bangladesh, India, Nepal, Pakistan, and Sri Lanka, who live in the West Yorkshire region of the UK (Haq & Davies, 2020; ONS, 2012). An ethnic minority business is an enterprise which is at least 51% owned by ethnic minorities (Bates & Robb, 2014; Sonfield, 2005). According to the UK government, an ethnic minority business is an enterprise where “50% or more of their management team are from ethnic minorities, or if a person from an ethnic minority is in sole control of the business” (GOV.UK, 2020).

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2In this study, an owner (owner-manager or OM) is involved in the running of the business and is a member of the family who owns the business. A manager (employee-manager or EM) is not an owner but manages the business.
Theoretical development

Recent studies in the UK (such as Vershinina & Rodgers, 2020) suggest that cultural capital is increasingly visible in the entrepreneurial activities of marginalized subsections of contemporary societies such as ethnic minorities (Sonfield, 2005). Marginalized individuals typically do not have the same opportunities as the mainstream population (Harrison et al., 2020). However, ethnic resources such as ethnic culture (Altinay et al., 2014; Haq & Davies, 2020; Haq et al., 2021) can create value if it is mobilized by appropriate and relevant social networks for social and economic advantage, or to mitigate disadvantage (Coleman, 1988, 1994; Putnam, 2000).

Bourdieusian forms of capital

Bourdieu’s (1986) theory of capital provides a rich explanation of how social, cultural, and symbolic forms of capital can influence ethnic minority micro-business performance. While our research questions draw on cultural capital, it is useful to discuss each of these three distinct forms of capital separately to see how they can influence the social positions of ethnic minority micro-businesses and the power dynamics they must grapple with in various socio-economic and cultural systems. Discussions about these forms of capital will also be useful in seeking to overcome disadvantages of organizational smallness (Lefebvre, 2022) and foreignness (Gurau et al., 2020; Zaheer, 1995) that are linked to resource limitations and discrimination respectively.

Bourdieu’s (1986) defines social capital based on shared identities and normative behavior. Social capital supports interpersonal relationships and networks for social groups to function effectively. This perspective has been drawn on to explain the growth and performance, for example, of immigrant enterprises (Tata & Prasad, 2015). Social capital equates to the totality of actual and potential resources that individuals accumulate over time through self-identification and engagement with other individuals who belong to the same sociocultural value systems (Bourdieu, 1986; Vershinina & Rodgers, 2020). This holistic view explains why social capital is “partially irreducible to objective relations of proximity in physical (geographical) space or even in economic and social space” (Bourdieu, 1986, p. 21). Thus, the nature of social capital that individuals accumulate over time depends on the quality, rather than the quantity, of social connections in their network (Haq et al., 2021).

According to Portes and Sensenbrenner (1993), social capital is generated through four phenomena that are shaped by sociocultural value systems. First, value introjection – the extent to which individual behavior may be influenced by acceptable collective behavior which warrants social and economic benefit to members of the social group. Second, reciprocal transactions – the extent to which people exchange favors based on mutual dependency and the dynamics
of group affiliation. Third, bounded solidarity – the extent to which social behaviors of a group of people are informed by a common situational issue. Fourth, enforceable trust – the extent to which interpersonal trust and confidence are underpinned by a sense of co-belongingness. We believe that bounded solidarity between members of an ethnic minority group in an ethnic majority social and economic space binds members of the group together through shared culture and a mutual sense of belonging, a shared sense of disadvantage, and interdependent survival. This co-belongingness leads to a form of capital that Bourdieu (1986) calls cultural capital.

Cultural capital can be embodied (for example, inherited passively from national culture), objectified (for example, possessions) and institutionalized (for example, recognized academic and professional qualifications) (Bourdieu, 1979). Cultural capital includes assets that promote social mobility and power (Bourdieu, 1979) and is grounded in the social fabric of a society, or a subgroup of a society, whose members share and practice the same ethnic culture (An & Western, 2019; Harrison et al., 2020). According to House et al. (2004), culture refers to socially constructed interpretations of events that are shaped by common experiences in a given space and time. Hofstede (1984) argues that culture represents a collective mindset of a group of people that distinguishes its members from other groups of people. For Schwartz and Bilsky (1987), culture represents a value system of a group of individuals and guides knowledge of behaviors that are acceptable to group members.

In order to conceptualize the role of cultural capital within an ethnic group in a regional setting, we draw on several recent studies that highlight the value of cultural capital (Harrison et al., 2020; Thuesen, 2016) and their entrepreneurial activities (Brynin et al., 2019; Haq & Davies, 2020). Ethnic minorities manifest themselves in their shared heritage, common identity, physical appearance, and shared cultural and religious affiliations (Yinger, 1985). We suggest that these manifestations represent ethnic cultural capital, which influences social and economic life in ethnic minority groups (Putnam, 2000; Zuccotti & O’Reilly, 2018). We, therefore, need to understand the impact of ethnic cultural capital on the social and economic lives of ethnic minorities in a regional setting where they live and actively engage in entrepreneurial activity. Moreover, the fact that ethnic minorities remain subject to workplace inequalities and social marginalization (Ahmad, 2020; Mallett & Wapshott, 2017), despite the diversified nature of contemporary British society (Ram et al., 2012), amplifies the need to understand the impact of ethnic culture on ethnic minority entrepreneurship.

Symbolic capital is based on recognition and prestige primarily generated from fulfilling social obligations in a particular culture and historical frame (Vershinina & Rodgers, 2020). Since cultural and symbolic forms of capital can be converted into political and social advantage (Vershinina & Rodgers, 2020), we believe that by building on these forms of capital, ethnic minority
microbusiness owners and managers may develop what Bourdieu (1977) calls a “feel for the game.” Bourdieu (1977) explains that by contrast with formal educational qualifications, there are unspoken and often unconscious agreements on how individuals act within the habitus of their field (in our case, of microbusinesses) to build forms of capital. Habitus is “the strategy generating principle enabling agents to cope with unforeseen and ever-changing situations . . . a system of lasting and transposable dispositions which, integrating past experiences, functions at every moment as a matrix of perceptions, understanding and actions” (Bourdieu, 1977, p. 72, 95). Ethnic minority microbusiness owners and managers are positioned in a field such as a market for goods and services where power relations are embedded. They employ various strategies to recalibrate different forms of capital at their disposal to enhance their power position within their field (Bourdieu & Wacquant, 1992). For instance, microbusiness owners and managers can gain symbolic capital (in terms of recognition) by drawing on ethnic cultural capital to sell traditional wedding apparel to their ethnic minority community that mainstream retailers do not serve with the same level of cultural sensitivity (Haq et al., 2021).

As Forson et al. (2014) suggest, notions of individualist and autonomous entrepreneurs overlook the importance of relational configurations. Bourdieusian perspectives therefore have enabled entrepreneurship scholars to contextualize entrepreneurship in a dynamic and socially constructed political economy. Here entrepreneurs reproduce and transform different forms of capital to their advantage despite mainstream assumptions about their underdog status (Miller & Le Breton-Miller, 2017) as they operate within the rules, norms, and power structures of their respective businesses. Bourdieu’s (1979, 1986) work helps us to understand the underlying or invisible processes in society that privilege certain groups such as ethnic majority but undermines activities of other groups such as the performance of ethnic minority microbusinesses due to structural inequalities which can and disempower owners and managers of ethnic minority microbusinesses. We now highlight another form of capital, referred to as human capital resources, which also plays an important role in ethnic minority microbusinesses (Haq et al., 2021) as in other microbusinesses (Bicho et al., 2022) and types of businesses (Brush et al., 2017; Crook et al., 2011).

**Human capital resources**

Human capital resources are the outcome of individual-level factors which are critical for organizational performance because people with high levels of human capital possess valuable, rare, and inimitable resources (Haq, 2016; MacKenzie & Forde, 2009). A principal reason for this connection is that individual-level capabilities are difficult to detect and copy by external
observers (Hatch & Dyer, 2004) and are socially complex and causally ambiguous (Barney, 1991). Our conceptualization of HCRs is based on Oh et al. (2017) human capital factors and Ployhart and Moliterno’s (2011) and Nyberg et al. (2014) work on knowledge, skills, abilities, and other characteristics (KSAOs). We also draw on several past studies, although these studies have relied on single theoretical frameworks to explain how ethnic minority micro-businesses survive and thrive in dynamic competitive environments. These frameworks include a culturalist view (Haq & Davies, 2020), ethnic enclave theory (Arrighetti et al., 2014), forms of capital (Vershinina et al., 2011), human capital theory (Sanders & Nee, 1996), middleman theory (Bonacich, 1973), mixed embeddedness (Kloosterman et al., 1999), push/pull factors (Clark & Drinkwater, 2000), resource advantage theory (Friske & Zachary, 2018), social capital (Burton & Vu, 2021), and symbolic capital (Vershinina & Rodgers, 2020). We believe that adopting any single framework leads to focusing either only on structural factors only that are external to the business, or resources that are internal to the business only. To overcome this constraint, we have combined Bourdieu’s forms of capital (Bourdieu, 1986) with the resource-based view of the firm (Barney, 1991; Wernerfelt, 1984).

**Resource-based view of the firm**

The resource-based view of the firm helps to look inside an organization to analyze how an organization exploits its tangible and intangible resources to earn superior performance (Barney, 1991; Wernerfelt, 1984). We recognize that RBV offers a static view of resources (Kaufman, 2015) and does not explain the exploitation of VRIN resources or their (re)combination (Nason & Wiklund, 2018). However, RBV explains how superior performance is achieved if two specific conditions exist (Barney, 1991; Nason & Wiklund, 2018; Nyberg et al., 2014; Wernerfelt, 1984).

First, only a handful of businesses in a socioeconomic space possess VRIN resources and employ value-creating strategies. Second, isolating mechanisms are in place preventing competitors from imitating and substituting the VRIN resources and value-creating strategies. Superior performance, however, may diminish over time due to exogenous changes even if competitors are unable to imitate and substitute the resources and strategies of competitively advantaged businesses (Barney, 1991). Thus, resource protection and development ought to be a continuous process, that is, the organization consistently and constantly should be aware of exogenous changes to sustain superior performance (Hatch & Dyer, 2004; Nason & Wiklund, 2018). It is because of this clarity that RBV is widely adopted for theory building across many disciplines when little conceptual explanation is available. These disciplines include ethnic minority micro-businesses (Haq et al., 2021), entrepreneurship (Greene et al., 1999; Nason & Wiklund, 2018), small business management
(Kellermanns et al., 2016), management (Akbari et al., 2019), the sociology of work and employment (MacKenzie & Forde, 2009), and strategic human resource management (Kaufman, 2015). Our focus is on a particular type of microbusiness.

**Microbusinesses**

The majority of private sector businesses in most countries are microbusinesses (Masiak et al., 2019). For example, microbusinesses comprise 82% of all private sector businesses in the UK and contribute 19% to employment and 14% to economic turnover (see Figure 1). Likewise, around 95% of all businesses are microbusinesses in France, which contribute 20% to private sector employment (Jaouen & Lasch, 2015). Similarly, most private sector businesses are microbusinesses making a substantial contribution to the economy in the USA (Fairlie, 2012). While they may be tiny individually, they are really giants collectively because they are critical for local, regional, and national economic development in most countries, including the UK (Haq et al., 2021; Vershinina & Rodgers, 2020).

However, microbusinesses are not scaled-down versions of either SMEs or of large businesses (Haq et al., 2021; Marshall & Williams, 2019). They operate differently (Masiak et al., 2019), have access to fewer resources, and adopt more informal procedures than large businesses and SMEs (Wapshott & Mallett, 2015). To understand the role of microbusinesses in social and economic advancement, researchers and policymakers, along with other stakeholders, need to understand what they are and how they work. To further our argument, we focus on a precarious form of microbusinesses, that is, ethnic minority microbusinesses.

![Figure 1. Private sector businesses in the UK in 2022 by size (Hutton, 2022). Reprinted with permission.](image-url)
**Ethnic minority microbusinesses**

Ethnic minority microbusinesses operate in closed social networks and create local business (Brynin et al., 2019) as well as employment opportunities (Fairlie, 2012; Jaouen & Lasch, 2015; Masiak et al., 2019). Several studies have highlighted the role of local contextual factors for the performance of these businesses. These factors include the influence of ethnic culture (Haq et al., 2021), social and cultural capital (Vershinina & Rodgers, 2020), knowledge (Haq & Davies, 2020), and internationalization and export performance (Baklanov et al., 2014). However, ethnic minority microbusinesses are largely ignored not only in management and entrepreneurship literature (Haq et al., 2021), but also in government policymaking due to discrimination (Robinson, 2005) and/or because they are stereotyped as underdogs (Miller & Le Breton-Miller, 2017). Consequently, the voices of ethnic minority microbusiness owners and managers remain unheard (Light & Dana, 2013; McKeever et al., 2014). This oversight leads to poor policymaking and potentially inhibits entrepreneurial growth (Haq & Davies, 2020; Ram et al., 2012). Specifically, while research explains the relationship between HCRs and performance (Nyberg et al., 2014), extant theorizing has neglected microbusinesses in general and ethnic minority microbusinesses in particular (Dabić et al., 2020; Haq et al., 2021). Consequently, there remains a paucity of research on how microbusinesses generate HCRs and how these resources contribute to business performance. To address this oversight, we ask: (i) How does ethnic culture shape the creation of human capital resources in ethnic minority microbusinesses? (ii) How do human capital resources shape the performance of ethnic minority microbusinesses?

**Methodology**

**Research approach and sample**

Following ethics approval from the School of Management, University of Bradford, a qualitative approach was adopted to understand entrepreneurial action within the context of South Asian ethnic minority microbusinesses in West Yorkshire to elicit thick descriptions (Geertz, 1973; Groenland & Dana, 2020) based on direct learning from participants. The qualitative approach helped in the in-depth examination of the phenomenon (Baines & Wheelock, 1998) and pattern identification (Eisenhardt, 1989; Yin, 2014) through careful interpretation of the interview data. We adopted a purposefully selected sample, also referred to as convenience sampling (Khan et al., 2022), followed by snowballing (Van Burg et al., 2020) of South Asian ethnic minority garment and fashion accessories microbusiness owners and managers in West Yorkshire, UK. By adopting a qualitative approach, we were able to reduce measurement errors (Dana & Dana, 2005), and mitigate the risk of circularity.
(Dana & Dumez, 2015) and extraneous variation in a small sample of participants who were located in a specific region (Eisenhardt, 1989).

The sample comprises 32 owner-managers (OMs) and 11 employee-managers (EMs) from South Asian ethnic minority microbusinesses in six West Yorkshire towns/cities: Bradford, Dewsbury, Halifax, Huddersfield, Keighley, and Leeds. Based on Saunders and Townsend’s (2016) recommendation, we believe that this sample size is sufficient for qualitative research. Most participants were Muslim, over half were born in South Asia, nine were women and around a third of the organizations were family businesses (See Figure 2 and Table 1 for participants’ demographic details and profiles). For ethical concerns, we did not interview individuals aged under 18, other potentially disadvantaged individuals such as asylum seekers, or people with learning difficulties. All participants were volunteers. They received an information sheet which explained our questions and their right to anonymity. All participants signed a consent form before their interview which allowed them to withdraw if they informed the lead researcher within two weeks of an interview.

South Asian ethnic minority microbusinesses in West Yorkshire provide an interesting research context. Many South Asians migrated to West Yorkshire mill towns to benefit from the booming British economy during the 1950s and 1960s (Haq, 2015). Their population increased over time because of family reunions and natural growth (BBC, 2010; University of Leeds, 2010). West Yorkshire has the fastest growing ethnic community in the UK with a considerable grip on entrepreneurship in the region (FSB, 2020; Haq,

![Figure 2. Demographic breakdown of the sample (N = 43).](image-url)
Table 1. Profile of participants.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Gender</th>
<th>Age</th>
<th>Place of Birth</th>
<th>Generation</th>
<th>Ethnicity</th>
<th>Religion</th>
<th>Education</th>
<th>Role</th>
<th>Age of Business</th>
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<td>Place of Birth</td>
<td>Generation</td>
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<td>Degree</td>
<td>Employee Manager</td>
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</tbody>
</table>
However, ethnic minorities face structural discrimination due to poor host-country human and social capital (Harrison et al., 2020; Thuesen, 2016).

**Data collection**

The first author contacted potential participants. His industry insider position provided opportunities to access appropriate participants and to generate valuable insights (Angel et al., 2018). Moreover, the first author’s broad social network helped to reduce stereotyping and facilitated mutual trust because of religious matching and shared cultural belonging (Angel et al., 2018). These factors enabled the first author to access additional participants through referrals. Drawing on an interview guide (Villares-Varela et al., 2018), two pilot semi-structured interviews (Harrison et al., 2020) were conducted. The interview guide was updated based on the experience during the pilot interviews and feedback received from these interviewees. Substantive interviews were then conducted over a period of about 10 months with 22 respondents. Snowballing among contacts generated an additional 21 participants.

Coding started after the fifth interview and ran in parallel with the rest of the interviews. All interviews were recorded (Ejupi-Ibrahimi et al., 2021) and transcribed verbatim within 48 h of each interview using Dragon Speech Recognition software. Interviews took place in locations where participants felt comfortable, typically in a quiet back office. Interview questions initially noted demographic information followed by broad-based, open-ended questions to explore the complexity surrounding perceptions about creation of various human capital resources, their application and impact on business performance. Probing and prompting questions were asked wherever appropriate (Creswell & Poth, 2016; James et al., 2021) to elicit further data.

**Data analysis**

The research team members thematically analyzed (Braun & Clarke, 2006; Saldaña, 2009) the transcriptions using NVivo software (Bazeley & Jackson, 2019; Edhlund & McDougall, 2019) in three phases. First, the researchers read and re-read the transcripts to create broad-based categories. One hundred and eighty-four initial codes emerged. We compared, merged, split, and or moved codes between (sub)categories to refine the codes. The second stage was more theoretically focused with the researchers moving back and forth between data analysis and interpretation of the findings. The team identified 29 broad-based categories of perceived meanings and relationships between the categories. In the third phase, the researchers individually and then in pairs examined and agreed on the final coding scheme. This final stage involved searching for conceptual patterns to highlight relationships between different themes to build an understanding of ethnic minority microbusiness performance based

2015).
on emergent strategy. Subsequently, the 29 broad-based categories were reduced to eight first-order categories (see Figure 3). Saturation point was reached at the 36th interview when coding did not generate any new codes. Analysis of the seven additional interviews reinforced the already identified categories and themes. Our unit of analysis was the narrative accounts of OMs and EMs that focused on their perception of performance. Due to the nature of our exploratory research, we did not create any ex ante themes. Overarching themes emerged from a thematic analysis of the interview data.

Following Gioia et al. (2013), the eight first-order categories formed three forms of capital (see Figure 3). These are the contingencies of ethnic culture, individual capabilities (internal human capital) and the ability to develop long-lasting customer engagement (human capital building external links). The analysis indicated that these themes seem to have a positive effect on performance. Overall, while there was some intergenerational variation, ethnic culture emerged as a focal point in this study. Our findings within the emergent theoretical framework imply that the contingencies of ethnic culture not only positively influence performance, but also positively moderate the relationships between individual capabilities and performance and long-lasting customer engagement and performance. We recognize that alternative interpretations of the data are possible.

The research team members engaged in individual and collective reflexivity throughout the research to ensure that the analysis was grounded in the data and was not influenced by individual researchers’ preconceptions (Radcliffe et al., 2022). Moreover, we consistently

<table>
<thead>
<tr>
<th>Illustrative excerpts</th>
<th>First order categories</th>
<th>Aggregate themes</th>
<th>Proposed outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>...on the job training is extremely important for the success of our business (OM)</td>
<td>On-the-job training</td>
<td>Individual</td>
<td>Long lasting customer engagement (external human capital)</td>
</tr>
<tr>
<td>everybody has to learn certain things which will be specific and appropriate for this company (EM)</td>
<td>Prev. relevant experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>...the primary reason I started the business was my previous relevant experience (OM)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>...the lady who grabbed my sample was more productive and they made me to be more productive (OM)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>...I believe education can help to build that confidence (OM)</td>
<td>Academic qualifications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>...most of our customers are Asian customers and you do not need a degree to serve them (OM)</td>
<td>Ethnic culture</td>
<td></td>
<td></td>
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<tr>
<td>...if the online customer has a different attitude from your main customer; you need to deal with them differently (OM)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>...if the customer is happy with the way you deal with them according to their culture... then the customer will come back... will also recommend other people (OM)</td>
<td>Role of religion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>...a Panjabi customer has a different attitude (from) a Mahrati customer; you need to deal with them differently (OM)</td>
<td>Customer service</td>
<td></td>
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</tr>
<tr>
<td>...if you don't have a friendship-like relationship with customers you will be blown out of the water very quick (OM)</td>
<td>Kinship-like customer relationships</td>
<td></td>
<td></td>
</tr>
<tr>
<td>...if people have personal relationships with each other... they become regular customers (OM)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>...we got to their wedding and engagements just to keep that relationship and to improve confidence (OM)</td>
<td>Customized knowledge about customers and products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>...if you are not there... knowledge you can keep growing (OM)</td>
<td></td>
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</tbody>
</table>

Figure 3. Thematic coding and a culture-induced entrepreneurship model (CIEM) EM = employee-manager, OM = owner-manager.
consulted with each other within the authorship team. We shared the codes and themes that emerged, a process called self-correcting measures throughout the coding process (Morse et al., 2008), which increased the trustworthiness of the analysis. The coding process was documented to ensure a robust audit trail to maintain research rigor and to mitigate potential bias (Braun & Clarke, 2006). Coding of 15 interviews was shared with the interviewees informally a few days after the interviews were coded. Finally, coding and findings were widely shared in university research seminars. This was useful to gauge whether our interpretations of the interview data resonated with work of other qualitative researchers (Motulsky, 2021).

The research team members are ethnically diverse. The first author is South Asian and worked in the same sector and location as the participants for over two decades. One coauthor is female, another coauthor is East Asian and works outside the UK while the two remaining coauthors work in different areas in and beyond Europe. The interviewer’s (first author) ethnicity and retail business experience before he became a full-time academic mirrored views of the interviewees. This was an advantage as he was regarded as an insider (Brannick & Coghlan, 2007). The potential negative aspects of being an insider were offset by the inclusion of researchers with diverse backgrounds.

Findings

Performance

We identified two important types of performance, which participants perceived as crucial for business performance. The first type was the emergence and launch of ethnic minority microbusinesses within resource constraints. This type recognized that the emergence of ethnic minority microbusinesses did not happen in isolation from the surrounding environment. The second type of performance is linked to the survival of the owner and their family, which was considered more important than profiting from the business. Hence, the stability of the ethnic microbusinesses was perceived by our participants as a critical measure of performance.

Contingencies of ethnic culture

The analysis identifies two first order categories – ethnic culture and the role of religion – which we label contingencies of ethnic culture. The data demonstrated that sharing an identity and understanding this identity is critical for performance. These categories reflect traditions and a common history, for instance, in terms of celebrations and ethnic holidays, which are events when
shared culture is collectively manifested. Participants experience a sense of solidarity which extends to business dealings. This sense of affiliation reduces ambiguity and consequently participants become less risk averse within their shared cultural norms.

**Ethnic culture**

Our findings are based on the subjective perceptions (Bicho et al., 2022) of OMs and EMs of our sample. Our findings indicate that participants venerate their ethnic culture to the extent that their businesses would cease to exist without their ethnic culture being practiced. According to an OM: “Our Asian culture and cultural events have an impact on the success of our business.” Another OM asserted:

We are culturally ethnic, and our customers are also technically cultured. We understand and we know our market... that’s why we have been successful.

The shared cultural sense of belonging manifested through cultural festivals and weddings provides the basis for establishing long-lasting relationships with customers. An OM stated: “our full-year theme revolves around our Pakistani culture.” Another OM noted: “90% of our business comes from Asian cultural events and weddings.” The meaning of weddings as highly culturalized events was explained by an OM as:

When a family brings a daughter in-law... and buys a lot of gold for her, that is considered as an indication of them being serious in the relationship... When a family buys a lot of gold for their daughter on her wedding it means how much they love her.

**Role of religion**

Religion (predominantly Islam), as a constituent of ethnic culture (Guiso et al., 2006), was perceived to play either a positive role, or none. Those who perceived that religion contributed positively to performance linked religion to ethical foundations such as being fair, dealing justly, acting honestly, not cheating, and not lying. However, while acting ethically, they sometimes “take a loss” due to their beliefs of predetermined destiny and inevitable accountability (OM). This short-term loss leads to long-term gain in disguise. An OM said: “if the customer leaves my shop happily, they will return.” Another OM added: “I don’t cheat... that makes my character good... that is the only reason customers become repeat customers.” Moreover, an OM linked religion to encouraging respect for customers:

Consumer laws in this country are like Islamic laws... when you sell to somebody you will sell with honesty. Since I started doing it [refunds and exchanges irrespective of the product being faulty], I received fewer complaints from my customers. The number of customers and repeat customers grew.
Those who considered religion neutral provided three reasons. First: “religion is more a personal thing” (OM) or “a personal matter” (OM) that needs to be kept separate from business. Second: “we keep it [religion] neutral because we serve people from various religions” (EM), and “we have Muslims, Sikhs and Hindus working… for us” (OM). Third: “fashion does not go with religion” (OM).

**Individual capabilities**

This theme comprises three categories related to how participants developed capabilities and which individual capabilities they perceived as critical for performance. We identified these categories in the data, which are evident in the aggregated theme of individual capabilities: on-the-job training, previous experience, and academic qualifications. A capability is a product of knowledge gained in the past and also knowledge acquired in real time. Moreover, there is a component of formal and explicit knowledge as well as experience-based knowledge. Importantly, the data indicated that the positive effect of individual capabilities on performance is positively moderated by contingencies of ethnic culture. This implies that the salience of capabilities is amplified when participants have their roots in a specific culture and the capabilities are embedded in a specific ethnic context.

**On-the-job training**

Participants linked on-the-job training to creating firm-specific skills which apparently save time and money:

> You learn when you actually do things. And you avoid mistakes next time which saves time and money and gives you mental happiness. (OM)

Employee training included observing how senior colleagues perform or rotating staff in different departments. An EM mentioned that 80% of all training happened on-the-job where new employees were “gradually trained while helping others and by watching people that are more experienced.” The benefit of on-the-job training is its proximity to the critical activities of the ethnic minority microbusinesses. However, on-the-job training can also hinder employees’ capacity to identify new opportunities. In practice, on-the-job training can tie employees to the existing business model and to enacting only incremental changes. Subsequently, such employees have a blinkered approach to possibilities of developing new markets, products, and solutions.

**Previous experience**

“It is the experience which is important in our type of business” (OM) because “if you do not have experience… you will face real difficulties in running
a business” (OM). Participants linked experience to creating context specific knowledge which generated increased sales.

It was the experience that helped my staff to know twill is another name for gabardine . . . this knowledge generated a sale of at least 405 meters of material. (EM)

Experience can be a strength. The capacity to recognize practical problems and to make sense of and resolve these problems based on past experiences may positively impact the performance of ethnic minority microbusiness. The ability to transform experience into current capabilities to develop a business can render experience critical. However, gaining experience was only one side of the business. Participants acknowledged difficulties for a business to develop routines and decision-making strategies that transform experiences into capabilities.

**Academic qualifications**

Participants expressed mixed perceptions about formal academic qualifications or education in general. Those who valued education believed: “education definitely has a knock-on effect on whatever you do” (EM). “If somebody is more educated, they will learn things faster than somebody who is less educated” (OM). “Educated people understand things better than uneducated persons” (OM). Educated people “communicate with customers in a nice way and according to the customer’s level” (EM), they “use appropriate language and specific terms which might be more effective in communicating with other people than less educated people [do]” (OM). In contrast, unlike “educated people [who] do not have temper and ego problems,” “less educated people tend to take things personal and get into heated arguments with the customers” (EM).

Participants who discounted the role of education observed: “I don’t think education is to do anything with our business, the best example is my mother running the business successfully without having any education” (OM). “My wife and I are not highly educated but we know how to deal with customers” (OM). However, there was limited acknowledgment in our data that performance depended on formal education and formal education is contingent on the nature of the task: “education is important for the office staff only” (EM), “it really depends on the type of work they do” (OM).

Thus, it seems that the third category which is based on the concept of individual capability – academic qualification – was the least important consideration for our participants. For many of the ethnic minority microbusinesses in this study, formal qualifications did not appear to produce any useful capability. Instead, more educated employees were likely to be polite and to use language more assiduously.
Long-lasting customer engagement

Three categories formed this theme: customer service, kinship-like customer relationships, and customized knowledge about customers and products. Long-lasting relationships take time to develop but once established they can last a long time. Long-lasting relationships are only possible if the counterparts make relationship-specific investments and mutual commitments. This is, in turn, promoted by reciprocity and trust toward each other. Trust drives stability and predictability and this is why the relationships between long-lasting customer engagement and performance is positively moderated by contingencies of ethnic culture. Not acting trustworthy is likely to result in a reputation of being someone whom one should not do business with. This reputation is likely to be spread within the ethnic network of the participants.

Customer service

According to the study’s participants, dealing with each customer as a unique individual, with a unique character, leads to customer satisfaction.

I need to understand the customers’ level, and I need to come to their level while communicating with them. (OM)

The most important thing is to treat the customer the way you want to be treated. (OM)

An EM explained: “internalization of customer experience is important, you put yourself in the customers’ shoes.” Internalization also refers to dealing with customers’ complaints effectively, which generates long-term instrumental benefits: “when we deal with customers’ problems effectively . . . we will get many more customers” (OM). An OM felt that managers with a mindset of “the problem is related to your business” contribute to customer satisfaction.

The data suggested that there was a fit between the service provided to customers and customers’ value systems. This was a consequence of their ethnic cultural contexts. This context implied that products delivered, and service attached to a product, or sale, must be related to this ethnic context. Customers are not faceless and are not isolated from where they live and shop. The awareness of the ethnic context is both an advantage and a disadvantage. It may constrain business growth. This implies the need to adapt to different ethical norms. Every customer perceives and evaluates service based on their ethnic cultural background.

Kinship-like customer relationships

Participants tended to build kinship-like relationships beyond selling and buying. Many participants believed that kinship-like relationships make “customers feel comfortable” and “buy more” leading to increased and repeat business in the short-term and customer-loyalty in the long-term. Moreover, these relationships created interpersonal trust that led
to repeat business and customer loyalty: “if you treat them ... like family they will be more comfortable in buying from you” (OM). An OM remarked:

We do not treat our customers only as customers. We rather treat them as members of our relatives or close friends. ... That’s how the customers recommend their family members or friends to our business. And that’s how we have increased our customer base.

The category of kinship-like customer relationships distinguishes ethnic minority microbusinesses from cultural norms in the mainstream ethnic majority businesses. This leads to comparatively high uncertainty, which must be reduced if the owner and the management are to invest in community relationship-building. Affection and trust underpin kinship-like customer relationships, resulting in affective investment in the relationship. This entails balance and comfort based on a shared view of the business and the exchange between the business and the customer. In turn, the subsequent balance influenced the survival of the business. Kinship-like customer relationships also positively influence the emergence of the business, but this effect might subside when the business grows. Consequently, there is a potential risk of locked-in effects in the ethnic context of the business. Once a business intends to grow outside an ethnic context, the value of kinship-like relationships decreases.

**Customized knowledge about customers and products**

Participants felt: “it’s the knowledge [of customers and products] which sells the product” (OM). Accordingly, knowing the product facilitates procurement, and a good purchase leads to a good sale. Many of the participants considered knowledge sharing to be an important process of capacity-building and personal growth. These are facilitated by religion and interpersonal relationships but obstructed by ethnic culture and the caste system.

Our religion encourages knowledge sharing because Muslims believe it is their religious responsibility to pass on their knowledge to others. (OM)

If people have good relationships with each other, then they will trust in each other and they will be willing to share their knowledge with each other. (OM)

Interpersonal competitiveness emanating from social status fueled by ethnic culture created interpersonal jealousy even among those who were related by kinship or who lived under the same roof. This led to knowledge hoarding due to perceptions of power, prestige, and social status linked to knowledge:
My younger brother is a solicitor . . . He gets a bigger wage than me. So, in our house even if he is younger than me, his status is higher than mine [loud laugh]. My uncle’s son is a doctor, and his status is even higher than all others in the family [louder laugh]. They want to maintain that status and that prevents them from knowledge sharing. I think that’s typical of Asian politics. People who are higher in politics think that nobody should reach their level, and everyone should stay under them. (OM)

The caste system also creates interpersonal jealousy which leads to knowledge hoarding. [The caste system] encourages people to keep secrets. People from a higher caste don’t want to share their knowledge with anybody [outside their caste as] they think they are better than others. (OM)

We contend that customized knowledge about customers and products contains three elements that positively impact performance. The first element concerns how the customer consumes and uses a product. It is, therefore, not only a question of managing the transaction to sell a product, but also to exhibit customized knowledge. The second element is what happens during the encounter because customized knowledge is, to a large extent, the result of interaction between the business and its customers. These interactions seem especially important in relationship building and maintaining with customers through information exchange and adaptation as the third element.

Discussion

Theoretical implications

The principal outcome of our study is the construction of the culture-induced entrepreneurship model (CIEM, see Figure 3). The CIEM offers answers to our two research questions: (i) How does ethnic culture shape the creation of human capital resources in ethnic minority microbusinesses? (ii) How do human capital resources shape the performance of ethnic minority microbusinesses? Bourdieu’s (1986) forms of capital helped us to conceptualize ethnic minority culture as a useful form of ethnic resource. RBV (Barney, 1991; Wernerfelt, 1984) helped us to conceptualize the critical role of ethnic minority culture in ethnic minority microbusiness performance. Our understanding is that while RBV is widely applied to theorize in different disciplines including entrepreneurial ventures (Greene et al., 1999) and established businesses (Nason & Wiklund, 2018), past theorizing has predominantly focused on European and North American perspectives (Adamson & Roper, 2019; Haq et al., 2021). The CIEM model explains how nurturing and maintaining kinship-like relationships with each customer rooted in the ethnic cultural practices creates important HCRs with VRIN characteristics. These idiosyncratic customer relationships generate instrumental outcomes such as trust-building (Dwertmann & Kunze, 2020), customer loyalty (Zhang et al., 2014), customer retention, and repeat business (Ranaweera & Prabhu, 2003).
Thus, in contrast to extant arguments that smallness and foreignness are liabilities due to associated perceptions of resource constraints and discrimination (Bicho et al., 2022; Lefebvre, 2022) respectively, our findings suggest that smallness and foreignness in our sampled microbusinesses do not necessarily pose disadvantages. Instead, smallness and foreignness characterized by common interests, shared sociocultural value systems, and co-belongingness facilitated business performance. Moreover, smallness and foreignness facilitated context-specific HCR creation. Since these HCRs are narrowly defined within the context of ethnic minority microbusinesses, the inward focus seems to have been a deliberate strategy to gain competitive advantage, possibly because ethnic minority microbusinesses earn success from the niche markets defined by shared sociocultural value systems and shared belonging. Moreover, smallness and foreignness emerged as being strategic resources instead of constraints in our study perhaps because ethnic minority microbusinesses are socially situated activities shaped by collectivism and group members’ shared experience of social isolation (Light & Dana, 2013; McKeever et al., 2014), marginalization as entrepreneurs (James et al., 2021; Miller & Le Breton-Miller, 2017) and the potential workforce in an ethnic majority context like in the UK.

We contend that CIEM offers an important theoretical perspective in entrepreneurship literature in understanding little-known socioeconomic spaces where ethnic minority groups create value. Here we contend that ethnic minority entrepreneurs do not necessarily adhere to the typical value systems of ethnic majority principally because of either perceived or actual discrimination (Carter et al., 2015). Therefore, theoretical concepts such as RBV may not clarify ethnic minority microbusinesses if these concepts are applied the way they are in large Western organizational settings. Instead, we believe that RBV should be sensitively applied based on the subjective context(s) of ethnic minority microbusinesses where resources are viewed and applied differently.

That said, we recognize that the precarious organizational settings in which ethnic minority microbusinesses operate are characterized by inherent resource scarcity due to their smallness (Lefebvre, 2022) and structural discrimination (Carter et al., 2015), consequent upon their foreignness (Gurău et al., 2020). These potentially disadvantageous factors led our ethnic minority microbusiness owners and managers to economically use and expend their few resources pragmatically (Luo & Child, 2015). By drawing on RBV to analyze HCRs that are grounded in ethnic culture, we have suggested how HCRs that are not easily replaceable (MacKenzie & Forde, 2009) can play an important role for business growth and development. Our findings, therefore, indicate that synergies between ethnic minority microbusinesses and customers can overcome arguments about ethnic minorities being disadvantaged in social (Villaes-Varela et al., 2018) and entrepreneurial (James et al., 2021) spaces where a “left behind” discourse remains attached to peripheral regions
(Gherhes et al., 2016). In summary, our study makes three important contributions to the entrepreneurship literature.

Our first contribution relates to the construction of a culture-induced entrepreneurship model (Figure 3). The CIEM explains relationships between training, experience, education, ethnic kinship-like relationships, customer service, and customized knowledge with ethnic culture. The CIEM also explains how these factors lead to the creation of human capital resources and how these resources shape ethnic minority microbusiness performance. Accordingly, these resources compensate for the liabilities of smallness and foreignness. By pragmatically utilizing these resources, ethnic minority microbusinesses have in fact achieved a greater impact beyond their own performance by sustaining left-behind ethnic minority communities and by potentially reducing household poverty and inequalities among both employees and the self-employed.

The second contribution is linked to the creation of HCRs shaped by sociocultural value systems. Alternatively, all these factors are grounded in the ethnic cultural value systems and contribute to business performance as socially complex and causally ambiguous resources. The narratives of underdog (Miller & Le Breton-Miller, 2017) and disadvantaged entrepreneurship (Murzacheva et al., 2020; Villares-Varela et al., 2018) and of ethnic minority groups in ethnic majority socioeconomic spaces were absent in participants’ accounts. Instead, our participants emphasized socially situated practices shaped by kinship-like relationships with customers, the key stakeholders. Moreover, in contrast with the perception that formal education determines business performance (Miller et al., 2015), our findings suggest that sociocultural value systems make a greater contribution to the creation of HCRs which in turn shape business performance.

Our third, and final, contribution lies in combining Bourdieu’s (1986) forms of capital with RBV (Barney, 1991; Wernerfelt, 1984). This combination helped us to relate RBV specifically with ethnic minority microbusinesses. Thus, our study extends current understandings of RBV from large businesses with resource and market advantages to ethnic minority microbusinesses with perceived disadvantages of smallness (Lefebvre, 2022) and foreignness (Gurău et al., 2020) which are linked to resource limitations and discrimination respectively.

**Implications for policymaking**

Our study has valuable implications for policymaking. While we recognize that ethnic minority microbusinesses “do not operate independently of universal forces that are ethnic-nonspecific” (Jones & Ram, 2010, p. 163), understanding the impact of ethnic minority culture on ethnic minority microbusiness performance can lead to more inclusive and equitable policies.
policymaking. We also believe that to stimulate economic growth, microbusiness-friendly policymaking is needed in the post-COVID-19 era and in the wake of a global economic downturn. This is because small business-friendly policymaking directly and positively influences the performance of all businesses (Khan et al., 2022). It has also been argued that microbusiness-friendly policymaking can significantly contribute to economic growth (Sissons et al., 2019) and stimulate entrepreneurship (Ram et al., 2012). Therefore, our study suggests an incremental step in logic in that friendly and inclusive policymaking can influence ethnic microbusinesses business performance in the long-term and stimulate economic growth.

**Implications for community and practice**

Our study offers valuable implications for practice at community and societal levels. First, our study suggests that ethnic culture shapes the creation of human capital resources, and these resources contribute to business performance. This performance equates not only with business survival and economic growth at national level (Vershinina & Rodgers, 2020), but also to family and social survival. Microbusinesses are usually family affairs that create employment for family members (Janjuha-Jivraj, 2004) and for non-family employees (Baines & Wheelock, 1998; Mallett & Wapshott, 2017).

Second, our study offers useful insights for ethnic minority communities. For example, we asked participants at the end of each interview whether they gained any insights during the interview process. Several participants stated that our guiding interview questions made them think about doing activities, which they never thought before, such as social media marketing and customer relationship enhancement to broaden awareness of their products and services among local communities. We believe, therefore, that our study has helped our sample microbusiness owners and managers to understand ethnic resources and how to maximize the use of these precious resources for their businesses.

**Limitations**

Despite providing useful insights into an often-overlooked business context, our study has three major limitations. First, we relied on owners’ and managers’ subjective accounts of perceived business performance. We did not investigate nonmanagement perceptions of business performance. Here we recognize that while ethnic culture is a source of differentiation, future generations may no longer respect it like their predecessors. Intergenerational differences linked to formal Western education (Brynin et al., 2019), different job aspirations (MacKenzie & Forde, 2009), and intolerance of time-consuming customer service practices employed by ethnic minority
microbusinesses (Haq & Davies, 2020) are possible reasons for a potential lack of respect for their ethnic culture. A potentially decreasing ethnic minority population base due to restrictions on the immigration of family members in the UK (Wray et al., 2021) may become another reason for members of this ethnic minority group to drift away from practicing their ethnic culture due to under-exposure to it. However, it is equally possible that future generations may be compelled to adopt the ethnic sensitivities of their predecessors if alternative employment and business opportunities are unavailable.

Second, our sample is located in a limited geographic region, and we relied on qualitative cross-sectional data. Accordingly, while our model offers conceptual insights on how ethnic culture shapes creation of human capital resources and how HCRs contribute to microbusiness performance, we did not measure performance. Future research could employ other methodologies, such as longitudinal data collection and analysis, to validate, review and advance our model and findings.

Third, we did not investigate the views of external stakeholders such as customers and suppliers. Future research may include these stakeholders in the sample to explore or explain the performance of ethnic minority and/or other microbusinesses. Besides, research is also needed to examine how the growing number of ethnic minority microbusinesses are able to lead innovation (FSB, 2020) for social integration and economic recovery despite or, perhaps more impactfully, because of their smallness and foreignness.

**Conclusion**

This article has explored how sociocultural value systems within an ethnic minority socioeconomic space have shaped the creation of HCRs and how these resources contribute to performance. Our work contradicts perceptions of smallness and foreignness as liabilities that have contributed to ethnic minority microbusinesses being overlooked. Instead, our findings provide a distinct counterpoint to narratives of ethnic minorities suggesting that they are compelled to be underdog entrepreneurs. The CIEM developed in this study is based on narrative accounts of owners and managers. The model offers a nuanced understanding about the role of sociocultural value systems within a specific group of microbusinesses. Moreover, the model explains that a bundle of HCRs which are developed informally within this relatively closed social and economic space qualify VRIN conditions. Since ethnic minority microbusinesses are heavily embedded in the social fabric of ethnic minorities, they play an important role not only for the performance of these businesses but also for the survival of the ethnic minority group as a distinct social category.

We, therefore, argue that sociocultural value systems offer important contingencies. Above all, these value systems underpin sustainable performance for traditionally disadvantaged businesses. Accordingly, our study positions
Bourdieu’s (1986) concept particularly of cultural capital within left-behind regions to capture multiple sources of disadvantage. With less reliance on formal education for socioeconomic well-being and greater reliance on informal customer service, kinship-like customer relationships, customized knowledge, and context-specific training and experience, ethnic minority microbusiness owners and managers tend to rely on shared culture to strengthen in-person interactions and build trust over time (see Dessi et al., 2014). These factors enable ethnic minority microbusinesses to occupy commercial and social spaces that larger businesses fail to penetrate.

By adopting a Bourdieusian and resource-based perspective to understand the human capital resources of a sample of ethnic minority microbusinesses, we have built a culture-induced entrepreneurship model that enables the study of these businesses to move beyond an ideology of entrepreneurship-as-emancipation (Rindova et al., 2009) to ethnic culture as a useful resource model. We have suggested the utility of this model in our sample of ethnic minority microbusinesses where they mobilize inherent trust, shared beliefs, and cultural and religious affiliations in pragmatic ways for social and economic performance.

**Concluding remarks – extending Bourdieu’s form of capital within entrepreneurship**

Bourdieu’s (1986) forms of capital have enabled us to locate ethnic minority microbusinesses within an established field. Our study extends Bourdieu’s (1986) concepts in two ways. First, it valorizes cultural capital and suggests its imperative role in creating human capital resources in overlooked contexts, regions, and organizations. Second, we are more optimistic than Bourdieu’s (1986) about entrepreneurial opportunities being available to ethnic minorities, such as our sample, who face multiple disadvantages in an ethnic majority social and economic space due to liabilities of smallness (Lefebvre, 2022) and foreignness (Gurău et al., 2020), which are linked to resource constraints and discrimination respectively.

Specifically, Bourdieu (1986) contends that rules set by the dominant power group create cultural norms that handicap migrants. In contrast, our findings suggest that ethnic kinship-like relationships, customer service, customized knowledge, context-specific training, and experience in the form of informal education can trump the services of retailers who rely on mega customer fulfillment centers, robots, and HR analytics. Moreover, our study emphasizes the value of listening to the voices of marginalized groups, by contrast with dominant paradigms of disadvantage in entrepreneurship literature. We call for future researchers to adopt more nuanced and optimistic approaches to encourage and facilitate ethnic minority entrepreneurship in the current extended period of instability and insecurity referred to as “permacrisis” (Dictionary, 2022; Zuleeg et al., 2021).
Disclosure statement

We declare that there is no potential conflict of interest in this research.

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